UNITED STATES DISTRICT COURT WESTERN DISTRICT OF LOUISIANA LAKE CHARLES DIVISION

STATE OF LOUISIANA, et al.,

Plaintiffs,

Hon. Judge James D. Cain, Jr.

Case No. 2:24-cv-00820

v.

Hon. Magistrate Judge Thomas P. LeBlanc

DEB HAALAND in her official capacity as Secretary of the Interior, et al.,

Defendants,

and

DEFENDANTS' RESPONSE TO PLAINTIFFS' THIRD SUPPLEMENTAL MEMORANDUM IN SUPPORT OF MOTION FOR STAY OR PRELIMINARY INJUNCTION

AMERICAN PETROLEUM INSTITUTE,

Intervenor-Defendant-Applicant.

Plaintiffs argue in their third supplemental memorandum that the mere allegations in an amended complaint filed on December 11, 2024, in U.S. District Court, Southern District of Texas, constitute "pertinent and significant legal developments" essential to this Court's determination as to whether the final rule at issue in this case is causing irreparable harm to Plaintiffs. ECF No. 90. The Court should disregard Plaintiffs' latest attempt to portray unsupported and conclusory allegations in an unrelated case as evidence of irreparable harm to Plaintiffs in this case.

Plaintiffs previously referred to this unrelated case, *W&T Offshore, Inc., et al. v.*Endurance Assurance, et al., Case No. 4:24-CV-3047 (S.D. Tex.), in their Reply in Support of Motion for a Stay Under 5 U.S.C. § 705 or for a Preliminary Injunction. ECF No. 76-2

(Plaintiffs' Exhibit N). The individual oil company plaintiffs in the *W&T Offshore* case seek relief from an alleged "scheme" whereby their "sureties have colluded to combine their leverage and jointly demand roughly \$250 million in immediate collateral" without justification. ECF No. 90-1, ¶ 1. The *W&T Offshore* plaintiffs allege that defendants "conspired" to use BOEM's final rule as a "pretext" for a new collateral demand. *Id.* ¶ 114-116. The *W&T Offshore* plaintiffs thus do not even assert that BOEM's final rule actually caused them harm, but rather that the mere existence of the rule occasioned violations of anti-trust statutes, conspiracy, and tortious interference, among other claims, by surety company defendants. *Id.* ¶¶ 138-177.

The *W&T Offshore* plaintiffs' theory that the surety company defendants "conspired to use a change in government rules as a pretext to extract outrageous sums from smaller oil and gas companies like [plaintiffs]" is not proof of a substantial threat of irreparable harm to Plaintiffs in this case. *Id.* at ¶ 3. Conclusory allegations do not establish irreparable harm even when they are proffered by movants for preliminary relief, much less when proffered by third parties not before the court. *Lakedreams v. Taylor*, 932 F.2d 1103, 1109 (5th Cir. 1991); *see*

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also Daniels Health Scis., L.L.C. v. Vascular Health Scis., L.L.C., 710 F.3d 579, 585 (5th Cir. 2013) (conclusory allegations are not a clear showing of irreparable harm for purposes of a preliminary injunction). As such, the Court should disregard Plaintiffs' third supplemental memorandum, which mistakes an alleged and unproven theory underlying a new collateral demand as proof of irreparable harm in this case.

Respectfully submitted on December 24, 2024.

TODD KIM

Assistant Attorney General United States Department of Justice Environment and Natural Resources Division

/s/ Katharine Laubach

KATHARINE LAUBACH (Colorado Bar #42693) Trial Attorney **Natural Resources Section** 999 18th Street, South Terrace, Suite 370 Denver, CO 80202 Telephone: (202) 305-8568 katharine.laubach@usdoj.gov

/s/ Paul Turcke

PAUL A. TURCKE (Idaho Bar #4759) Trial Attorney Natural Resources Section 1290 West Myrtle Street, Suite 500 Boise, ID 83702 Telephone: (202) 532-5994 paul.turcke@usdoj.gov

Attorneys for Defendants

CERTIFICATE OF SERVICE

I hereby certify that on December 24, 2024, I electronically filed **DEFENDANTS**' **RESPONSE TO PLAINTIFFS**' **THIRD SUPPLEMENTAL MEMORANDUM IN SUPPORT OF MOTION FOR STAY OR PRELIMINARY INJUNCTION** with the Clerk of Court using the ECF system, which will automatically send email notifications to the attorneys of record.

/s/ Katharine Laubach
KATHARINE LAUBACH